



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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KATHLEEN MOLLOY PREVISICH, PLANNING DIRECTOR

September 21, 2010

Housing Advisory Commission

Commissioners:

INTRODUCTION

The County Housing Element of the General Plan, adopted January, 2010, contains a program directed toward residential vacation rentals:

"Program 4.13 : Explore options for regulating the conversion of existing housing units to vacation rentals in order to limit the impact of such conversions on the stock of housing and on the integrity of single family neighborhoods"

Residential vacation rentals are single family residences that are rented for periods of less than thirty consecutive days. The Board of Supervisors discussed the subject of short term vacation rentals on June 22, 2010. In some areas these rentals have created conditions, such as parking shortages and excessive noise, which negatively impact the surrounding neighborhood. Especially when rentals are concentrated in a small area, the long term, residential character of the neighborhood may be altered in fundamental ways. Planning staff was directed to draft an ordinance that would regulate vacation rentals in residential areas in order to preserve the housing stock, protect the integrity of single family neighborhoods, and address the negative impacts that some vacation rentals have created.

The proposed regulations on vacation rentals would implement program 4.13 of the Housing Element.

PROCESS

The purpose of this public workshop is to present a preliminary draft ordinance and to gather input from the public along with comments and recommendations from HAC members. All input, comments and recommendations will be considered during the process of refining the proposed ordinance and will be forwarded to the Board of Supervisors.

In developing the preliminary draft ordinance, staff considered the memorandum of Supervisor Leopold considered by the Board at its June 22 meeting, public input during that meeting and at a subsequent focus group meeting held by Supervisors Leopold and Pirie on August 12, and various ordinances from other jurisdictions. The County Counsel's office also provided valuable input.

The various aspects of regulating vacation rentals are discussed below, along with proposed regulations. In some cases a range of options is presented. After staff receives public input and input from your Commission on the proposed ordinance the next step is refinement of the ordinance and preparation of an Initial Study for compliance with the California Environmental Quality Act (CEQA). That will be followed by a period of public review and a noticed public hearing before the Planning Commission. The Planning Commission will forward a recommendation to the Board of Supervisors, which will then be considered at another noticed public hearing.

Planning staff has developed the following proposed methods of regulating vacation rentals with the goal of protecting the housing stock and controlling impacts from intensively used rentals, while allowing this niche of the tourism industry to continue benefiting property owners, visitors, and the community as a whole. An additional advantage to regulating vacation rentals is that the proposed permitting system will allow the County to track vacation rentals for the first time. This will facilitate monitoring, code enforcement, identification of negligent property owners and uniform payment of Transit Occupancy Tax.

Note that the precise number of existing vacation rental properties is not known because there is currently no requirement for registration or use permit. There are approximately 570 properties within the unincorporated area that are registered with the County Tax Collector for payment of Transit Occupancy Tax (TOT) (personal communication, Office of the Santa Cruz County Tax Collector, September, 2010). (There are a total of 46,059 attached and detached single family dwellings in the unincorporated area, according to the State Department of Finance). The estimate of 570 vacation rentals is considered a minimum number because not all properties that are advertised are registered.

This letter will describe the preliminary draft ordinance, including applicability, limits on location of vacation rentals and limits on intensity of use (e.g. number of occupants, limit on number of tenancies, size of gatherings, parking requirements). It will also describe the proposed requirement for an administrative use permit and how the requirement is proposed to be applied to existing and future vacation rental properties.

PRELIMINARY DRAFT ORDINANCE

Applicability

The regulations are proposed to apply in residential zoning districts County wide, because even though the majority of the properties are in the coastal zone the basis for regulation also exists elsewhere. The regulations are proposed to apply to ownership housing, whether attached or detached. Multi family rental housing, where units are not owned individually, is not proposed to be included as eligible to be used for vacation rentals in order to avoid the loss of rental housing through conversion. It is not known how many multi family properties may currently be used for vacation rental. In addition, staff is proposing that one tenancy per year of thirty days or less be exempted from the regulations.

Location

A primary consideration is the proportion of vacation rental properties within a neighborhood. At some percentage the character of a neighborhood can shift from long-term "permanent" residential to a short term "transient" rental community. There is no single concentration that represents the tipping point; an allowable level of concentration is a reflection of each community's goals and values. One way to balance availability of vacation rentals with preserving residential character is to set parameters for location to avoid concentrations of vacation rentals. Staff is proposing a concentration limit of one vacation rental within 200 feet of the property lines of any other vacation rental (except that existing levels of concentration would be "grandfathered" in). Where the lot width is approximately 50 feet that separation would result in a maximum concentration of about one vacation rental per five parcels along the frontage, though the actual concentration would depend on the dimensions of all the lots along the frontage and to the rear, and the width of rights of way.

There are many locations where the concentration of vacation rentals is currently above this proposed limit. There is a provision in the proposed ordinance for "grandfathering" the location of existing vacation rentals relative to this distance limit. This is discussed in more detail later in this letter.

Other options are to enroll vacation rentals that are eligible to be "grandfathered" and then to prohibit new or additional units, or to use the number of "grandfathered" units to set a "cap" on the number that would be allowed. The latter approach would allow replacement of existing vacation rentals over time.

Intensity of Use

Another factor of the impact of vacation rentals on neighborhoods is the intensity of use of the property. The typical measures of intensity are the number of rented days, the number of people in a rental group, the size of the gatherings that occur, and the number of cars and parking spaces.

Number of Days Rented/Minimum Stay:

Staff considered several methods of regulating the number of days a home may be rented, including a simple minimum stay and a maximum stay over a period of time (such as a ceiling on number of rental days/year or days/week).

A minimum stay rule is effective in limiting disruption associated with very short term use. However, property owners indicate that a minimum stay may strongly affect their ability to find renters. For this reason staff is recommending a maximum of one tenancy per week rather than a minimum stay. The actual length of stay may be any number of consecutive nights within that week, i.e. the tenancy may be only one night or could include all seven nights of the week. This will limit disruption from transitions and will limit the number of visitors overall, yet it allows property owners to decide whether they choose a minimum stay for their property. Our review of rental listings on the Internet shows that many properties currently have two night minimums with longer minimums during high demand periods.

While the proposed ordinance does include limits on numbers of tenants, visitors, and vehicles, it is an option to implement a minimum stay of two days in addition to the one tenancy per week. That option would add the assurance that homes would not be rented for one-night events such as parties or sales events that might be more appropriately held in a commercial venue; however it may impact availability to those who wish to visit for a weekend and wish to stay only Saturday night.

Maximum Number of Tenants:

The potential for excessive noise and disturbance increases with the number of tenants. A typical occupancy limit in other ordinances is two people per bedroom. In the case of vacation rental property it is reasonable to allow one or two additional people to account for sleeping in common space, such as a family or living rooms. Staff is proposing a limit of two people per bedroom plus two additional people. As an option, children under twelve, because they contribute less to the typical impacts of after- hours noise and parties, would not be counted in the total.

Size of Gatherings:

Residences that are rented for celebrations and large gatherings have been associated with excessive noise, parking impacts and disturbances to the integrity of residential neighborhoods. In order to avoid the impacts from large gatherings the proposed ordinance would limit the total number of people to twice the maximum occupancy number.

A prohibition on advertising for use as a venue for weddings, corporate meetings and retreats, and similar functions is proposed to be a required element of rental agreements.

Available Parking And Limits on Vehicles:

It is important that vacation rental properties have adequate parking on site in order to preserve on street parking for other coastal users, and for permanent residents and their guests. Staff recommends that new residential vacation rentals meet the minimum on site parking requirement in place for each unit when the residence was permitted, and that vehicles associated with renters be limited to the number of on site spaces.

There are existing vacation rentals where the number of on site parking spaces may not meet current parking codes or be adequate. Provisions for "grandfathering" existing vacation rentals relative to the parking requirements are discussed later in this letter.

Requirement for Administrative Use Permit

The primary method of implementing the proposed ordinance is the requirement for an administrative use permit, to be renewed periodically. The initial application for a permit for existing vacation rental units will provide the opportunity for the Planning Department to set the maximum occupancy and maximum number of vehicles that may be brought to the site, with these maximums required to be established in the rental agreements. As vacation rentals are enrolled in the permit system they become subject to Conditions of Approval and it becomes possible to track the population of rentals as a whole and to monitor individual properties for compliance.

Permit process:

The process would consist of an initial check against the minimum criteria set by the ordinance for issuance of a permit. Different criteria will apply to applications for new vacation rentals than to existing vacation rentals that are being "grandfathered" as legal, non conforming uses. Provisions for "grandfathering" are discussed later in this letter. A site plan showing the number of on-site parking spaces and a floor plan illustrating the location and number of bedrooms would be submitted, which staff would use to set the occupancy limit and the vehicle limit. Proof of TOT registration would be checked, and, for renewal, a review of complaints received and compliance with permit conditions would be performed. If necessary, additional Conditions of Approval would be added when permits are reviewed or renewed.

For proposed new vacation rentals (not the initial group of "grandfathered" properties), the permit would be processed administratively by the Planning Department, with notice provided to property owners within 300 feet of the vacation property. Subsequent applications for renewal would also be noticed to property owners within 300 feet. If issues are identified during the review process the Planning Director would elevate the decision to the Zoning Administrator or Planning Commission to ensure a public hearing. Appeals of decisions would be heard by the Zoning Administrator, Planning Commission or Board of Supervisors.

The proposed ordinance will include an exception process. If a property does not meet the criteria for a permit the owner may apply for an exception (e.g. to the location/concentration or parking requirements). Any exception would involve a public hearing before the Zoning Administrator or the Planning Commission and be subject to the findings and conditions to be prescribed by the ordinance.

Term of the Permit:

There are several options for how frequently a permit must be renewed. Staff recommends that initial permits be valid for two years with the provision that they may be reviewed more frequently if there are substantiated reports from the Sheriff or violations of the permit conditions. (A longer initial period of five years is proposed in the four areas that are been identified in Exhibit B). Alternatives to two years include a shorter initial period of one year, with potential for less frequent renewal in the future, perhaps five years, if permit conditions are being met. The time period for renewal can always be subject to review if excessive complaints have been recorded, and if property is reviewed and allowed to continue operations it can be subject to annual permitting for the following two years.

Permit Review and Revocation:

The proposed ordinance states that the permit may not be renewed or may be reviewed and revoked (or amended in lieu of being revoked) for operations that generate police reports and/or lack compliance with permit conditions. Staff is recommending that more than two documented, significant violations, as determined by the Planning Director, of the permit conditions within a twelve month period be cause for review of the permit for possible non- renewal, amendment or revocation. Documented violations would include but not be limited to: copies of citations, written warnings, or other documentation filed by law enforcement; copies of Homeowner Association warnings, reprimands or other Association actions; documented unavailability of local contact person three or more nights within a six month period; and written and photographic evidence collected by members of the public. Any

permit amendment related to enforcement or revocation process would be implemented according to Chapter 18.10 of the County Code, which provides for public hearing and right of appeal and which would be amended to add the Zoning Administrator to the decision makers who may process such amendments or revocations. Decisions by the Zoning Administrator would be appealable to the Planning Commission and ultimately to the Board of Supervisors.

Additional Regulations

Posting of Permit and Regulations:

Noise is regulated by the County Noise Ordinance, Chapter 8.3 of the County Code, which is enforced by the County Sheriff. The Sheriff has requested that the noise regulations be posted in each vacation rental unit and has stated that a registration system which identifies permitted rental properties will be helpful in enforcement efforts. Staff is proposing that both of these suggestions be included in the ordinance.

Rental agreements and Signs:

Vacation rental agreements commonly list rules about trash management, number of occupants, illegal behavior, and disturbances. Staff recommends this practice become mandatory and that a prohibition on advertising for use for weddings and corporate meetings and retreats be added. In addition, the proposed ordinance would require that a sign be posted on the exterior of the house identifying the structure as a permitted vacation rental and listing a 24 hour local contact for complaints and information. The signs should be large enough to be readily visible but not so large as to detract from neighborhood character. Between twelve and eighteen inches in maximum height and width is suggested, or as an option the size could be the size allowed by the Home Occupation Ordinance, which is one square foot.

Operational Measures:

Additional regulations having to do with trash management and maintenance of records are also included in the proposed ordinance.

APPLICATION OF ORDINANCE TO EXISTING VACATION RENTAL PROPERTIES ("GRANDFATHERING")

The proposed ordinance establishes a requirement that the owners of properties that are currently used as vacation rentals will have 180 days after the ordinance is adopted by the Coastal Commission to apply for a permit for the existing use. Any property being used as a vacation rental that has not applied for a permit within that time will be in violation of the County Code.

However, in recognition of the fact that existing vacation rentals have been operating, staff is proposing that the limit of one vacation rental within 200 feet of the property line of another vacation rental *not* be applied to existing vacation rentals and the initial application for a permit would not be noticed within 300 feet but would instead be administratively enrolled and issued a permit. Subsequent applications for renewals, however, would be noticed. The level of on site parking that has been provided for the use would also be "grandfathered".

Eligibility for "Grandfathering":

There are various ways to identify the vacation rentals that would qualify to be "grandfathered". One possibility is to include only the properties for which TOT has been paid. Another option, which is recommended by staff, is to include properties for which owners did not pay TOT but where they can demonstrate use or purchase for use as a vacation rental, for example through rental agreements and evidence of payment collected, as long as TOT is brought current for the last three years. (Three years is the legal term for which back taxes may be collected). In any case, it is recommended that the date of the Board adoption of the ordinance be established as the cut off date for eligibility to be grandfathered.

EXCEPTION FOR FOUR DISCRETE AREAS THAT ARE NOT LOCATED WITHIN TYPICAL NEIGHBORHOODS

Four geographic areas are proposed to be exempted from the limits on concentration and tenancy because of their unusual location and setting. These areas are Pajaro Dunes, the portion of Oceanview Drive along the beach in La Selva, Beach Drive and Rio Del Mar Boulevard between Aptos Beach Drive and Cliff Court in Rio Del Mar, and Las Olas Drive in Aptos. Maps of these areas are shown in Attachment B.

These areas are unusual in that topography, setting or distance make them separate and distinct from the residential neighborhoods closest to them, and because of this the vacation rentals have less potential to affect neighbors than vacation rentals in locations that are more integrated within their neighborhoods. Homes on Oceanview Drive, Las Olas and Beach Drive, for example, are on or below the tall coastal bluff, topographically separate from surrounding homes. The Pajaro Dunes development is separate because of its' relative isolation and long distance from other homes. The exempted areas tend to "face" outward and be oriented toward the beach, rather than into or toward a surrounding neighborhood. Lastly, there is significant existing vacation rental activity in these locations, though a precise inventory is not possible because there is no system of registration. Most of these locations are beachfront and were either originally developed with the intent to be used for vacation rental purposes or have historically been used for predominantly vacation rental purposes. At this time staff has not identified similar sorts of areas elsewhere in the County.

COMMENTS FROM COASTAL COMMISSION STAFF

The proposed ordinance is a coastal implementing ordinance and as such must be approved by the Coastal Commission. The Board of Supervisors directed Planning staff to consult with the Coastal Commission regarding previous actions by the Commission on this topic and our proposals for new regulations. Local Coastal Commission staff indicate that the Commission understands the need to balance coastal access with the need to ensure that vacation rentals are compatible with and do not adversely affect integrity of residential neighborhoods. The Commission's interest is in preserving access to a diversity of types of visitor accommodation and in ensuring that this type of visitor accommodation is not prohibited outright. The Coastal Commission has approved vacation rentals ordinances in other coastal jurisdictions.

IMPACTS ON SUPPLY AND DIVERSITY OF HOUSING

Most vacation rentals would be single family residences if not rented. However, the total number of vacation rentals is small relative to overall housing supply. Further, the proposed ordinance will limit the number of new vacation rentals by implementing a concentration test in all but a few areas. Because there is no indication that future conversion of homes will occur on a scale that could create shortage of housing, impacts on housing supply are not expected.

SUMMARY AND RECOMMENDATION

Staff recommends that your Commission receive public input on the proposed regulations and consider providing comments and/or recommendations from the HAC to be forwarded to the Board of Supervisors.

Sincerely,



Kathleen M. Previsich
Planning Director

Exhibits:

- A. Proposed Draft Ordinance
- B. Maps of Special Consideration Areas
- C. Correspondence

DRAFT PROPOSED VACATION RENTAL ORDINANCE

13.10.326 Vacation Rentals.

The use of residentially zoned property as a vacation rental shall comply with the following standards:

A. Purpose. The purpose of this section is to establish regulations applicable to structures on residentially zoned parcels that are rented as vacation rentals for periods of less than thirty days at a time. These regulations are in addition to all other provisions of this Title. In the adoption of these standards the Board of Supervisors find that residential vacation rentals have the potential to diminish the stock of housing available to long-term residential households and to be incompatible with surrounding residential uses, especially when multiple vacation rentals are concentrated in the same area, thereby having the potential for a deleterious effect on the adjacent full time residents. Special regulation of these uses is necessary to preserve the housing stock and to ensure that they will be compatible with surrounding residential uses and will not harm or alter the neighborhoods in which they are located.

B. Permit requirements. Administrative Use Permit and Transient Occupancy Tax Registration for each residential vacation rental.

C. Location.

1. Except as set forth in (2) below, and in 13.10.327, in all residential zone districts, no new vacation rental shall be located within 200 feet of a parcel on which any other vacation rental is located. This location standard may be modified by an exception if approved by Zoning Administrator.

[Exception criteria and standards to be developed]

2. For the purposes of this ordinance, Special Consideration Areas are defined as follows: Pajaro Dunes; the portion of Oceanview Drive along the ocean in La Selva; and on Beach Drive, Rio del Mar Boulevard between Aptos Beach Drive and Cliff Court, and Las Olas Drive in Aptos. In these areas there are no limits on location and the minimum separation given in section C 1. does not apply.

D. Vacation rental tenancy.

1. One tenancy per year of 30 days or less is exempt from the requirements of this section.
2. This section does not apply to house trades where there is no monetary compensation.
3. Except as described in 1 and 2, above, and 5, below, rental of a residence shall not exceed one individual tenancy within seven consecutive calendar days. Each individual tenancy may consist of from one to seven days. No additional occupancy (with the exception of the property owner) shall occur within that seven-day period.

DRAFT PROPOSED VACATION RENTAL ORDINANCE

4. A vacation rental shall only be used for the purposes of occupancy as a vacation rental or as a full time occupied unit.
5. In the Special Consideration Areas, there are no limits on tenancy or minimum number of days per tenancy.

E. Number of people allowed. The maximum number of tenants allowed in an individual residential vacation rental shall not exceed two people per bedroom plus two additional people, except for celebrations and large gatherings not exceeding 12 hours in duration, during which time the total number of people allowed is twice the allowed number of tenants. Children under 12 are not counted toward the maximums.

F. Signs. A sign identifying the structure as a permitted vacation rental and listing a 24 hour local contact responsible for responding to complaints and providing general information shall be placed in a front or other window facing a public street or may be affixed to the exterior of the front of the structure facing a public street. If the structure is more than 20 feet back from the street, the sign shall be affixed to a fence or post or other support at the front property line. The sign may be of any shape, but may not exceed 216 square inches. The view of the sign from the public street shall be unobstructed and the sign shall be maintained with legible information.

G. On-site parking required. Except for pre-existing, non-conforming vacation rentals existing as of the date of the adoption of this ordinance by the Board of Supervisors, which are issued a valid Administrative Use Permit (see section 13.10.327), all parking associated with a Residential Vacation Rental shall be entirely onsite, in the garage, driveway or other on-site parking spaces and all tenants using the vacation rental shall not use on-street parking. All vacation rentals shall provide the minimum on-site parking required at the time the structure was permitted.

H. Noise. All residential vacation rentals shall comply with the standards of Chapter 8.30 of the County Code (Noise) and a copy of that chapter shall be posted in an open and conspicuous place in the unit and shall be readily visible to all tenants and guests. No vacation rental is to involve on-site use of equipment requiring more than standard household electrical current at 110 or 220 volts or that produces noise, dust, odor or vibration detrimental to occupants of adjoining dwellings.

I. Local contact person. All vacation rentals shall designate a property manager within a 15-mile radius of the particular vacation rental. The local property manager shall be available 24 hours a day to respond to tenant and neighborhood questions or concerns. Where a property owner lives within the County the property owner may designate himself or herself as the local contact person. The requirements of this section apply to both owners and designated property managers.

1. The name, address and telephone number(s) of the local contact person shall be submitted to the Planning Department, the local Sheriff Substation, the main county Sheriff's Office, the local fire agency, and supplied to the property owners within a 300 foot radius. The name, address and telephone number(s) of the local contact person shall be permanently posted in the rental unit in a prominent location(s). Any change in the local contact person's address or telephone number

DRAFT PROPOSED VACATION RENTAL ORDINANCE

shall be promptly furnished to the agencies and neighboring property owners as specified in this subsection.

2. If the local contact person is unavailable or fails to respond, and the complaining party contacts the Sheriff's Office, the Sheriff may attempt to reach the local contact person. In cases where the Sheriff is unable to reach the local contact person the penalties as set forth in Subsection P may apply.

J. Transient Occupancy Tax. Each residential vacation rental unit shall meet the regulations and standards set forth in Chapter 4.24 of the County Code, including any required payment of transient occupancy tax for each residential vacation rental unit.

K. Operational measures. Rules about trash management (e.g., trash to be stored in covered containers only), number of tenants, illegal behavior and disturbances shall be listed in the Rental Agreement and shall be posted inside the vacation rental in an open and conspicuous place readily visible to all tenants and guests.

L. Advertising. No vacation rental shall be advertised in any manner as a venue for weddings, receptions, corporate meetings, retreats, or similar functions.

M. Effect on pre-existing, non-conforming residential vacation rentals. See Section 13.10.327.

N. The manager shall maintain a log of rentals to demonstrate compliance with tenancy regulations and shall make the logs available for inspection by the Sheriff and the Planning Department.

O. Violation. It is unlawful for any person to use or allow the use of property in violation of the provisions of this section. The penalties for violation of this section are set forth in Chapter 19.01 of this Title (Enforcement). If more than two documented, significant violations occur within any 12-month period the Administrative Use Permit may be reviewed for possible non-renewal, amendment, or revocation; this may occur before expiration of the subject Administrative Use Permit. Documented, significant violations include, but are not limited to: copies of citations, written warnings, or other documentation filed by law enforcement; copies of Homeowner Association warnings, reprimands, or other Association actions; written or photographic evidence collected by members of the public or County staff; and documented unavailability of the local contact three or more times within a six month period.

13.10.327 Pre-existing, non-conforming vacation rentals

Notwithstanding any other provisions of this Code to the contrary, including but not limited to Section 13.10.10.260 entitled "Nonconforming uses-Provisions that apply to all uses" and Section 13.10.261 entitled "Residential Nonconforming uses" this section shall apply to existing vacation rentals.

DRAFT PROPOSED VACATION RENTAL ORDINANCE

A. The purpose of this section is to provide a process to identify and register those vacation rentals as nonconforming uses which have been in lawful use prior to the adoption of this ordinance by the Board of Supervisors and to allow them to continue subject to obtaining an Administrative Use Permit as provided by this section.

B. The owner, operator or proprietor of any vacation rental that is operating on the effective date of this ordinance, which is upon certification of this ordinance by the Coastal Commission, shall within 180 days after the effective date obtain an Administrative Use Permit for vacation rentals.

C. No Administrative Use Permit shall be issued by the Planning Director unless the use as a vacation rental is a legal use under the Zoning Ordinance, and the applicant provides a sworn affidavit and demonstrates to the satisfaction of the Planning Director that a dwelling unit was being used as a vacation rental on an on-going basis prior to the adoption of this ordinance by the Board of Supervisors and was in compliance with all State and County land use and planning laws. The Planning Director, in making the decision, shall take into consideration, among other things, the following guidelines:

1. The applicant paid County of Santa Cruz Transient Occupancy Tax on the lawful operation of the vacation rental; or
2. That applicant had transient guests occupy the subject property in exchange for compensation prior to the adoption of this ordinance by the Board of Supervisors; and
3. Reliable information, including but not limited to, records of occupancy and tax documents, reservation lists, and receipts showing payment is provided.
4. For those who provide adequate documentation, but have not registered and paid Transient Occupancy Tax, proof of retroactive payment of the amount due to the County for the three prior years shall be submitted.

D. No notice is required as part of the processing of an initial Administrative Use Permit for pre-existing, non-conforming vacation rentals. Renewals shall be subject to public notice.

E. Failure to apply for an Administrative Use Permit within 180 days of the effective date of this Ordinance shall mean that the alleged nonconforming use is not a bona fide nonconforming use, and it shall be treated as an unlawful use, unless the applicant demonstrates that the alleged vacation rental use meets the all of the criteria under Section 13.10.326.

F. Administrative Use Permits in the Special Consideration Areas shall be renewed every five years. In all other areas, the Administrative Use Permit shall be renewed every two years. During the renewal application process, the Planning Director shall take into consideration compliance with the permit conditions, as well as public complaints related to the loss of quiet enjoyment, record of unlawful activities, as well as non-compliance with all State and County land use or planning laws.

DRAFT PROPOSED VACATION RENTAL ORDINANCE

13.10.328 New vacation rentals

A. All new vacation rentals shall be subject to the requirements set forth in Section 13.10.326 and shall obtain an Administrative Use Permit. Every application for an Administrative Use Permit for a new vacation rental shall include the following.

1. Completed application form
2. Non-refundable application fee as established by the Board of Supervisors, but no greater than necessary to defer the cost incurred by the County in administering the provisions of this Chapter
3. Plans drawn to scale showing the following:
 - a. Plot plan showing property lines, all existing buildings, and dimensioned parking spaces
 - b. Floor plan showing all rooms with each room labeled as to room type
 - c. Copy of a blank rental/lease agreement with the conditions of approval of the use permit listed in the agreement (i.e., occupancy limits, parking, trash, etc, pursuant to Section 13.10.326.
4. Copy of a County of Santa Cruz Transient Occupancy Registration Certificate for the purpose of the lawful operation of a vacation rental.

B. Notice of the application shall be sent to all owners and residents of properties within 300 feet of the exterior boundaries of the parcel on which the new vacation rental is proposed.

C. No public hearing shall be required unless a) an exception to the standards for new vacation rentals is requested, in which case the application shall be scheduled for public hearing at the Zoning Administrator, or b) if the Planning Director determines that a public hearing is required based on public responses to the application or for other good cause, in which case the application shall be scheduled for public hearing at the Zoning Administrator or the Planning Commission, at the discretion of the Planning Director.

D. Exceptions to the requirements for new vacation rentals shall be requested in writing as part of the application, shall be limited to exceptions to the location and parking standards, and shall be heard by the Zoning Administrator at a noticed public hearing.

[Exception criteria and standards to be developed]

E. Administrative Use Permits for new vacation rentals in the Special Consideration Areas shall be renewed every five years. In all other areas, the Administrative Use Permit shall be renewed every two years. During the renewal application process, the Planning Director shall take into consideration public complaints related to the loss of quiet enjoyment, record of unlawful activities, as well as non-compliance with all State and County land use or planning laws.

DRAFT PROPOSED VACATION RENTAL ORDINANCE

F. Action on an Administrative Use Permit for a new vacation rental may be appealed according to the procedures set forth in Section 18.10.310 et seq.

“V” definitions.

Vacation Rental: One (1) or more ownership dwelling units, rented for the purpose of overnight lodging for a period of not more than thirty (30) days other than ongoing month-to-month tenancy granted to the same renter for the same unit. Accessory structures, second units, and legally restricted affordable housing units shall not be used as vacation rentals.

D R A F T



Rio del Mar

EXHIBIT B



Las Olas

EXHIBIT B



Place de Mer

EXHIBIT B



Paiaro Dunes

EXHIBIT B

Correspondence

Porcila Wilson**ATTACHMENT** 

From: Steven Guiney
Sent: Thursday, September 16, 2010 4:13 PM
To: Porcila Wilson
Subject: FW: Vacation Ordinance: Opposition

-----Original Message-----

From: Randy Watson [mailto:randywatson95062@yahoo.com]
Sent: Thursday, September 16, 2010 4:03 PM
To: Steven Guiney
Subject: Fw: Vacation Ordinance: Opposition

Anthony

--- On **Thu, 9/16/10, Randy Watson** <randywatson95062@yahoo.com> wrote:

From: Randy Watson <randywatson95062@yahoo.com>
 Subject: Vacation Ordinance: Opposition
 To: pln456@co.santa-cruz.ca.us
 Cc: steven.guiney@co.santa_cruz.ca.us
 Date: Thursday, September 16, 2010, 7:48 PM

I am a homeowner in Santa Cruz County, Live Oak area.

I am a father of three children and have been with my wife for 25 years. I am a Gulf War Veteran. During my Air Force career I received numerous awards including the Army Commendation medal for my role in taking care of the victims of the USS Cole bombing. I currently live in Santa Clara County when we are not enjoying our Santa Cruz beach home as do our partners.

I spent years looking for a second home near the beach. Last July we purchased, along with the two other families, a large home on near our favorite beach in Santa Cruz . The timing was just right and we pooled our resources to buy the home. My partners are a local family and have been coming to Twin Lakes beach since 1969 with many long time friends in the Live-Oak and East Cliff neighborhoods. Our home is a dream come true for all of us as we wanted a place to spend quality family time with our wives and combined twelve children – all who are under the age of 13. We are a large group of owners - when we are all together at our house there are 15 of us. When our extended family and friends are together, the number can easily reach 20. As you might imagine, finding a home that can comfortably house such a large family that is also so close to a wonderful beach is quite rare. What is even better is that we have a large driveway that comfortably holds 8 cars as this reduces the impact on the scarce street parking near the beach and activity in front of our neighbors' homes.

We are all professionals with deep roots in our respective local communities and are very active

9/16/2010

in various educational, religious and charitable organizations. We are not absentee owners that bought our home to operate as a business. Despite our busy lives with kids, careers and charities we use the home as often as possible. One of the owners is at our beach home at least once a week. We bought our beach home to enjoy with family and friends and as a special place for our children and grandchildren to enjoy for decades to come. It is our gift to our future generations. In addition, we donate stays at our home to raise money for various charitable, educational and religious organizations because we believe it is important to give back to the community and help those in need. In just our first year of ownership we have donated our house three times to charities. Our favorite was Ampsurf (ampsurf.org), an organization that takes amputees out surfing to provide them with the healing power of the ocean.

I am writing to express my opposition to this ordinance as it is proposed. It places rules and regulations that would apply only to a small subset of private homeowners in Santa Cruz County. I believe it will create rules that will unfairly discriminate. How can the County produce a law regarding occupancy that applies only to certain single family homes and not to others. Shouldn't occupancy and parking rules apply the same to all private single family homes regardless of whether or not they are short term, long term or owner occupied? Where is the objective data that shows such restrictions would actually have any impact on the alleged problems of noise/trash/traffic. This is on top of the fact the Board of Supervisors has not produced a single shred of objective evidence that short-term rentals are the source of any problems.

I also believe that it will be a nightmare to enforce, specifically in regards to separating private use from rental use. I use my home for personal use throughout the year. If the County passes parking/length of stay/occupancy limits to a home/parcel how will it allow personal use? Will I have the Sheriff knocking on my door if there is an extra car in the driveway while I am having a private gathering? Will I have the Sheriff enter my home to count the amount of guests when I lend my home to my friends or family? Will we be asked to produce papers like the Arizona law proving we are the owner or family/friend of the owner? Furthermore, it is my understanding that any zoning applies to a parcel and not to usage. If this is done via zoning how will the County ensure that a private homeowner has their full and legal right to use their home for private usage? For example, if an occupancy rule is applied via zoning will I, as a private homeowner, be allowed to use my home for a party which exceeds the limits? Or would I be in violation and subject to penalty?

I would also remind the Housing Advisory Commission and the Planning Department that the areas being mentioned have been tourist destinations for over a hundred years. The Ocean has always been a major attraction for the Bay area and this is reflected in the cost of homes and rent as one gets closer to the beach. This is also reflected in the tradition of the second or summer home. Many areas, such as the avenues were specifically planned and designed for this purpose. On my street alone the absentee owners occupy 65% of the homes. This area has never been, and never will be, an area of low income housing or areas where people primarily move to raise their children. It is a fantasy to think that restricting or banning short term rentals in this area will produce an increase in affordable long term housing. This data is from the County's recent Housing Element:

Median Gross Rent:

1 Rio Del Mar \$1,375

2 City of Scotts Valley \$1,177

3 Soquel \$1,147

4 Aptos \$1,091

5 Opal Cliffs \$1,035

6 Twin Lakes \$998

7 Live Oak \$979

8 City of Capitola \$973

9 Aptos Hills-Larkin Valley \$950

10 Boulder Creek \$949

11 Ben Lomond \$946

12 City of Santa Cruz \$941

13 Interlaken \$929

County Median \$924

14 Felton \$839

15 City of Watsonville \$742

16 Amesti \$733

17 Corralitos \$713

18 Freedom \$663

19 Day Valley \$598

Source: US

As you can see the areas we are speaking about already command the highest rents in the county mostly due to the proximity of the ocean. You will not be able to change this via legislation.

Furthermore, because these are private homes that are used by the owner they will NOT be placed into the long term rental pool. If unable to rent my home, it will simply be unoccupied when I or my family/friends are not using it.

I am also concerned about the potential implications of Coastal Access, especially for families. In the Live Oak area for example there are only 66 hotel rooms. By restricting the use of private homes families will no longer be able to visit the beach.

Some of the regulations in the proposed ordinance may go against elements of the LCP including:

7.5.7 Beaches as Regional Parks

(LCP) Recognize the use of beach areas to satisfy regional recreational opportunities

for County residents and improve access where appropriate.

Objective 7.7a Coastal Recreation

(LCP) To maximize public use and enjoyment of coastal recreation resources for all people, including those with disabilities, while protecting those resources from the adverse impacts of overuse.

Objective 7.7b Shoreline Access

(LCP) To provide a system of shoreline access to the coast with adequate improvements to serve the general public and the coastal neighborhoods which is consistent with the California Coastal Act, meets public safety needs, protects natural resource areas from overuse, protects public rights and the rights of private property owners, minimizes conflicts with adjacent land uses, and does not adversely affect agriculture, subject to policy 7.6.2.

b. Work with the State Department of Parks and Recreation, the Office of the Attorney General, the Coastal Commission, and the Coastal Conservancy to obtain a judicial determination of existing public beach and shoreline access and ownership, where it appears a right of access has been acquired by use. (Responsibility: Planning Department, County Parks, Board of Supervisors)

7.7.15 Areas Designated for Primary Public Access

(LCP) The following are designated as primary public access, subject to policy 7.6.2*:

North Coast Live Oak

Waddell Bluffs Twin Lakes State Beach

Waddell Creek Beach Black's Beach (Lincoln Beach)

Waddell Creek to Greyhound Rock Johan's Beach

hang gliding area (present access Santa Maria Beach/26th Ave., Beach

limited to private hang gliding club (Corcoran Lagoon)

with permission of owner) Moran Lake Beach

Greyhound Rock Beach Pleasure Point/East Cliff Drive

Pelican Rock bluff End of 41st Avenue

Bluff or bluff top north of Scott

Creek

7.7.20 Yacht Harbor Beach Access

(LCP) Encourage visitor beach access and visitor serving facilities in the Live Oak area to concentrate between the Yacht Harbor and 17th Avenue; maintain the present low density of use for beaches east of 17th Avenue.

(LCP) a. Support, encourage, and participate in an access coordinating committee with the State Department of Parks and Recreation, California Coastal Commission, the cities of Santa Cruz and Capitola, and any other interested public agency or private group to establish a countywide access program. Seek financial and technical assistance from, among others, the State Department of Boating and Waterways and the State Coastal Conservancy. The committee should focus on relieving congestion at urban access points; ensuring adequate countywide access and resource protection, including development of a monitoring program; developing access with an emphasis on the features of the Monterey Bay National Marine Sanctuary; and investigating the possibility of State Department of Parks and Recreation management of rural access points and joint City-County management of urban access points. (Responsibility: County Parks, Board of Supervisors,

Objective 7.8 State Parks, Open Space and Facilities

(LCP) To protect through state ownership those areas that are of statewide interest or concern, and that service a regional or statewide need for recreational opportunities. The mission of the California Department of Parks and Recreation is to provide for the health, inspiration, and education of the people of California by helping to preserve the state's extraordinary biological diversity, protecting its most valued natural and cultural resources, and creating opportunities for high-quality outdoor recreation. Figure 7-4 shows existing state park acreage, miles of beach, and annual attendance.

Objective 7.9 Organized Camps and Conference Centers

(LCP) To allow for a full range of educational, religious, and recreational facilities operated by organized groups to utilize the varied scenic and natural settings of the County's rural and mountain areas while providing proper management and protection of local natural resources.

(Also see policies in section 2.16, Visitor Accommodations Designation)

I would like to remind the Board that these beaches DO NOT belong to Santa Cruz alone. **There are millions of people in the Bay area that rely on the Coast for recreation.** By restricting the ability for people, especially ones coming from the Central Valley, to stay in private homes you will be restricting their access to the coast. Furthermore, many of the areas being considered are State Parks which I am sure you know belong to everyone. Don't you think people will notice next summer when their annual trip has to be canceled due to a potentially draconian measure? The Mercury News has already touched on this point. Believe me, what you do in Santa Cruz is being watched by millions in Northern California.

Another point is that the County is currently \$12.9 million in debt. The Transient Occupancy Tax pays nearly \$1.5 million into the County. Can we really afford to lose the money at this point? What will the citizen in Felton think when they lose a Police Officer due to budget cuts? What will the citizen in Watsonville think when they lose vital services? Why should we consider an ordinance that benefits so few to the detriment of so many?

Who will this ordinance benefit? An extremely small group of people? Let me be clear that I believe everyone needs to be a respectful neighbor. And I mean everyone, short-term, long term, owner occupied. And thankfully we already have laws that regulate noise, trash, and nuisance. Why does the County need to set up a system that will be nearly impossible to enforce properly and remove home owners rights in order to address supposed noise and parking issues?

I ask that the commission ask the Board of Supervisors for evidence of the actual problem prior to writing any ordinance. The BOS needs to produce OBJECTIVE data such as citations. I believe that the Board is relying on anecdotal evidence. Is this the way law is written? And it is my understanding that this ordinance is being pushed by some very wealthy home owners who have stated on the public record that the "beaches are not for visitors"(see below). Is this really how Santa Cruz wants to be seen? As catering to the ultra-rich and keeping families away from the beach? I ask that the Commission consider that there are already laws that can address nearly every "accusation" thrown at short-term rentals.

In principle, I believe that the following are reasonable measures:

That every homeowner who rents on a short term basis should post contact information both with the County and some where on the home.

That every homeowner who rents on a short term basis pay the Transient Occupancy Tax

In addition, a code of conduct can be created that homeowners sign stating their intention to be responsible homeowners.

Thank you for your consideration

Anthony Abene

http://www.youtube.com/watch?v=kgDcTS2hZs4&feature=youtube_gdata_player

Below I have attached a copy of a letter from one of my previous guests that touches on many important points:

Dear Mr. John Leopold, Ms. Ellen Pirie, Mr. Neal Coonerty, Mr. Tony Campos and Mr. Mark Stone:

I am writing to express my opinion regarding a proposal to restrict the use of vacation rental properties in Santa Cruz County. I have both an "insider" and "outsider" perspective, as I was born and raised in Santa Cruz, and my family owns property on East Cliff Dr. which has been used as both a rental property and primary residence.

Currently, my mother resides in Santa Cruz at her East Cliff Dr. home. Each spring, my family of four from Maryland, my sister's family of four from Colorado, my father and step-mother from Oregon, and my in-laws from Ohio come to Santa Cruz for a family vacation, staying from 6 to 10 days. We contract with vacation rental property owners in the Twin Lakes area for as large a house as we can afford so that we can all stay together and be close to other family. Last year, we were able to contract with a very large house and an old family friend (and her family) from Long Beach were able to come to Santa Cruz

9/16/2010

and stay with us (her parents and extended family live in Santa Cruz and Watsonville), bringing our group to 14 people. **The cost of renting several smaller houses is prohibitive for many of our group, and they would not be able to afford to come and spend their vacation dollars in Santa Cruz if resident size per rental is limited.**

Earlier this year, a family friend and I rented a smaller Twin Lakes area home for a few days to attend my aunt's funeral. Being restricted from renting a home for a short stay burdens visitors in two ways: it limits the location of their stay (to Ocean St. hotels) and it is very inconvenient for families **with very small children who need kitchen facilities and safe outdoor spaces (as in the case of my friend).**

Yes, summer in Santa Cruz can be crowded with lots of vacationers, and I used to long for the fall when they all disappeared and the town became "ours" again. And I certainly understand how frustrating it could be to have loud parties next door. However, tourism is the lifeblood of the City of Santa Cruz's economy, and the revenue from vacationers pays for a lot of what the permanent residents enjoy. When we come to Santa Cruz, we make it a point to spend locally and spread our vacation dollars to our favorite businesses: Gayles, Bookshop Santa Cruz, Zoccoli's, Shopper's Corner, Staff of Life, New Leaf, Zachary's, Crow's Nest, The Boardwalk, the roller-skating rink, movie theaters, Santa Cruz Roasting Company, and so many other businesses. To restrict the use of vacation rentals would negatively impact the lifestyle of the full-time residents of the county, whether vacation property owners or not, because of the lost revenue from vacationers like me, who will be unable to rent large houses or afford to come to Santa Cruz. **Restricting the use of vacation rental properties will not necessarily "cure" the ills that were described by those advocating new restrictions** - it is possible (and fairly likely) that the larger rental houses would be offered as long-term UCSC student rental housing - not necessarily solving the problem related to parties, noise, and absent landlords.

Very modest requirements, such as a special use business license, or posting of the owner's (or management company's) name and phone number, seem like reasonable ways to manage the negative impacts of out of control vacation renters without penalizing all of the rest of us (vacationers). **I can state without qualification that if our family cannot rent a house that accommodates us in Santa Cruz, we will NOT be renting a block of hotel rooms - we will find a different location for this annual family gathering and Santa Cruz will lose all of spending power our large group possesses.** The restriction of short terms rentals is also absurd, as there are many reasons vacationers cannot stay longer (financial, school schedule, and family emergencies, like mine). Santa Cruz will lose a whole category of visitors if a restriction on short term renters is imposed (those with enough money to spend for 3 or 4 days) who do not want to be stuck in a hotel room.

I urge you to resist the temptation to solve the problems created by a few by restricting everyone's property rights. **If Santa Cruz turns into a place where only the rich can visit (those who can afford to rent a smaller home for a week or more) it will have become a place I will not longer be able to refer to as "home."**

Sincerely,

Alexa Mortenson Claybon

Steven Guiney

From: Mark Nicklanovich [mnicklan@webtv.net]
Sent: Saturday, September 11, 2010 10:57 AM
To: Steven Guiney
Cc: jthoits@pacbell.net
Subject: rental ordinance

Dear Mr. Guiney: As long-time residents of Live Oak we strongly support regulation of the vacation rental industry that has infiltrated our neighborhood. The number of these units is increasing at an alarming rate. They are turning our residential neighborhood into a commercial enterprise zone. It seems that this constitutes a violation of the zoning ordinance. These units can, and occasionally do, create a public nuisance that detracts from the quality of life in our neighborhood. People who purchase property have every right to expect that the neighborhood will remain residential. Please help us protect our neighborhood from this invasion. Sincerely, Mark and Jolene Nicklanovich

9/14/2010

Steven Guiney

From: Deb Thoits [jtdt@pacbell.net]
Sent: Saturday, September 11, 2010 2:43 PM
To: Steven Guiney
Subject: Support for the Vacation Rental Ordinance

September 11, 2010

Dear Steve Guiney, Planner for Santa Cruz Co.,

This email letter is to let you know we fully support the proposed Vacation Rental Ordinance. Vacation rentals have been growing at a rapid rate in our Live Oak beach community adversely affecting the integrity of our residential neighborhoods.

These unregulated vacation rentals have frequent and high turnovers of multiple groups of people, "in vacation mode" and in essence, it is like having "motels" on our residentially zoned Avenues. One cannot operate a motel without regulation in the county therefore it is time to regulate vacation rentals since they are essentially the same thing.

In addition, the recent rapid move to convert former full time rentals into short term rentals also affects the availability of rental housing for permanent residents. One of our neighbors had rented his house for 10 years, but last year that house sold, the new owners turned it into a vacation rental and he had to move out of our area.

It is time for Santa Cruz County to have an ordinance that limits and regulates vacation rentals just as Monterey County, San Luis Obispo County and many others counties have already done.

Thank you and we hope that this ordinance will pass.

Sincerely,
Debbie and Jim Thoits
200 14th Avenue
Santa Cruz, CA 95062



County of Santa Cruz

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FIFTH DISTRICT

WRITTEN CORRESPONDENCE AGENDA

9-28

September 8, 2010

Tina Spragg
First Church of God
4400 58th Street
Sacramento, CA 95820

Dear Ms. Spragg:

Thank you for your recent letter regarding the development of a proposed ordinance regulating vacation rentals.

As you are aware, the Board has directed that work proceed on the development of an ordinance which would affect all areas of the unincorporated county. It is my understanding that the Planning Department plans to present a draft ordinance to the Housing Advisory Commission at a meeting to be held on September 20, 2010, after which the matter will be considered by the Planning Commission before reaching the Board of Supervisors for final consideration on or before November 16, 2010. Therefore, I have referred a copy of your letter to the Housing Advisory Commission for inclusion in the materials which will be considered by the Commission.

Again, thank you for writing. I will bear your comments in mind as this issue moves forward.

Sincerely,

TONY CAMPOS, Chairperson
Board of Supervisors

TC:ted

cc: Clerk of the Board
✓ Planning Department

5133A6

Terry Dorsey

From: Irma Marquez on behalf of Tony Campos
Sent: Tuesday, September 07, 2010 10:55 AM
To: Terry Dorsey
Subject: FW: Beach Rentals in Santa Cruz

-----Original Message-----

From: Tina Spragg [mailto:sacfcog@yahoo.com]
Sent: Tuesday, September 07, 2010 9:40 AM
To: John Leopold; Ellen Pirie; Neal Coonerty; Tony Campos; Mark Stone
Subject: Beach Rentals in Santa Cruz

Hello!

I represent a group that rented a home in beautiful Santa Cruz in March. We are a group of ladies who go on 'runaways' every year, to take a break from all life has to offer. We enjoy all being in one home so we can talk, play games, watch movies, etc., together. We thoroughly enjoyed going down to the beach, too, and we cleaned up after ourselves, as we appreciate being able to use the beach on our 'runaway'. We appeal to you, in the hopes that we will continue to be able to rent large homes and all stay together. We do not throw parties and we show respect wherever we go. We are sure that we are not in the minority, and we feel it would be unfair to those of us who appreciate and respect Santa Cruz, to suffer because of those who are disrespectful. We appreciate that you are trying to protect the beaches and city of Santa Cruz, and we pray you are able to find an alternative remedy.

Thank you for your time,

Sincerely,

Tina Spragg

Church Secretary

FIRST CHURCH of GOD

ATTACHMENT 4

4400 58th Street

Sacramento, CA 95820

916-455-4650

sacfcog.org

Come be loved ... not judged!

I long to see you ... that is, that you and I may be mutually encouraged by each other's faith.

Romans 1:11-12



County of Santa Cruz

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WRITTEN CORRESPONDENCE AGENDA

9-28

September 8, 2010

Alexa Claybon
7413 Arrowood Road
Bethesda, MD 20817

Dear Ms. Claybon:

Thank you for your recent letter regarding the development of a proposed ordinance regulating vacation rentals.

As you are aware, the Board has directed that work proceed on the development of an ordinance which would affect all areas of the unincorporated county. It is my understanding that the Planning Department plans to present a draft ordinance to the Housing Advisory Commission at a meeting to be held on September 20, 2010, after which the matter will be considered by the Planning Commission before reaching the Board of Supervisors for final consideration on or before November 16, 2010. Therefore, I have referred a copy of your letter to the Housing Advisory Commission for inclusion in the materials which will be considered by the Commission.

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Sincerely,

TONY CAMPOS, Chairperson
Board of Supervisors

TC:ted

cc: Clerk of the Board
✓ Planning Department

5133A6

Terry Dorsey

From: Irma Marquez on behalf of Tony Campos
Sent: Tuesday, September 07, 2010 10:55 AM
To: Terry Dorsey
Subject: FW: Proposal regarding vacation rental units

-----Original Message-----

From: Alexa Claybon [mailto:aclaybon@msn.com]
Sent: Tuesday, September 07, 2010 9:25 AM
To: John Leopold; Ellen Pirie; Neal Coonerty; Tony Campos; Mark Stone
Subject: Proposal regarding vacation rental units

Dear Mr. John Leopold, Ms. Ellen Pirie, Mr. Neal Coonerty, Mr. Tony Campos and Mr. Mark Stone:

I am writing to express my opinion regarding a proposal to restrict the use of vacation rental properties in Santa Cruz County. I have both an "insider" and "outsider" perspective, as I was born and raised in Santa Cruz, and my family owns property on East Cliff Dr. which has been used as both a rental property and primary residence.

Currently, my mother resides in Santa Cruz at her East Cliff Dr. home. Each spring, my family of four from Maryland, my sister's family of four from Colorado, my father and step-mother from Oregon, and my in-laws from Ohio come to Santa Cruz for a family vacation, staying from 6 to 10 days. We contract with vacation rental property owners in the Twin Lakes area for as large a house as we can afford so that we can all stay together and be close to other family. Last year, we were able to contract with a very large house and an old family friend (and her family) from Long Beach were able to come to Santa Cruz and stay with us (her parents and extended family live in Santa Cruz and Watsonville), bringing our group to 14 people. The cost of renting several smaller houses is prohibitive for many of our group, and they would not be able to afford to come and spend their vacation dollars in Santa Cruz if resident size per rental is limited.

Earlier this year, a family friend and I rented a smaller Twin Lakes area home for a few days to attend my aunt's funeral. Being restricted from renting a home for a short stay burdens visitors in two ways: it limits the location of their stay (to Ocean St. hotels) and it is very inconvenient for families with very small children who need kitchen facilities and safe outdoor spaces (as in the case of my friend).

Yes, summer in Santa Cruz can be crowded with lots of vacationers, and I used to long for the fall when they all disappeared and the town became "ours" again. And I certainly understand how frustrating it could be to have loud parties next door. However, tourism is the lifeblood of the City of Santa Cruz's economy, and the revenue from vacationers pays for a lot of what the permanent residents enjoy. When we come to Santa Cruz, we make it a point to spend locally and spread our vacation dollars to our favorite businesses: Gayles, Bookshop Santa Cruz, Zocchi's, Shopper's Corner, Staff of Life, New Leaf, Zachary's, Crow's Nest, The Boardwalk, the roller-skating rink, movie theaters, Santa Cruz Roasting Company, and so many other businesses. To restrict the use of vacation rentals would negatively impact the lifestyle of the full-time residents of the county, whether vacation property owners or not, because of the lost revenue from vacationers like me, who will be unable to rent large houses or afford to come to Santa Cruz. Restricting the use of vacation rental properties will not necessarily "cure" the ills that were described by those advocating new restrictions - it is possible (and fairly likely) that the larger rental houses would be offered as long-term UCSC student rental housing - not necessarily solving the problem related to parties, noise, and absent landlords.

Very modest requirements, such as a special use business license, or posting of the owner's (or management company's) name and phone number, seem like reasonable ways to manage the negative impacts of out of control vacation renters without penalizing all of the rest of us (vacationers). I can state without qualification that if our family cannot rent a house that accommodates us in Santa Cruz, we will NOT be renting a block of hotel rooms - we will find a different location for this annual family gathering and Santa Cruz will lose all of spending power our large group possesses. The restriction of short terms rentals is also absurd, as there are many reasons vacationers cannot stay longer (financial, school schedule, and family emergencies, like mine). Santa Cruz will lose a whole category of visitors if a restriction on short term renters is imposed (those with enough money to spend for 3 or 4 days) who do not want to be stuck in a hotel room.



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FIFTH DISTRICT

WRITTEN CORRESPONDENCE AGENDA

9-28

September 8, 2010

Malene Mortenson
2-1181 East Cliff Drive
Santa Cruz, CA 95062

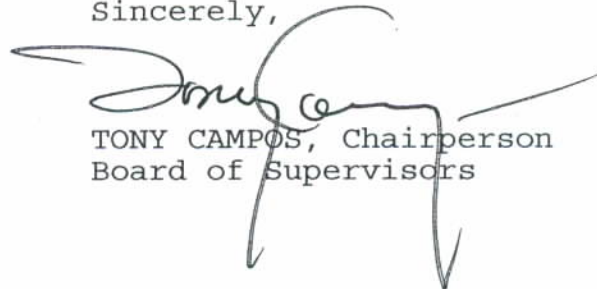
Dear Ms. Mortenson:

Thank you for your recent letter regarding the development of a proposed ordinance regulating vacation rentals.

As you are aware, the Board has directed that work proceed on the development of an ordinance which would affect all areas of the unincorporated county. It is my understanding that the Planning Department plans to present a draft ordinance to the Housing Advisory Commission at a meeting to be held on September 20, 2010, after which the matter will be considered by the Planning Commission before reaching the Board of Supervisors for final consideration on or before November 16, 2010. Therefore, I have referred a copy of your letter to the Housing Advisory Commission for inclusion in the materials which will be considered by the Commission.

Again, thank you for writing. I will bear your comments in mind as this issue moves forward.

Sincerely,



TONY CAMPOS, Chairperson
Board of Supervisors

TC:ted

cc: Clerk of the Board
✓ Planning Department

5133A6

Terry Dorsey

From: Irma Marquez on behalf of Tony Campos
Sent: Tuesday, September 07, 2010 10:56 AM
To: Terry Dorsey
Subject: FW: Proposed restrictions on individual short term rentals in Santa Cruz County

-----Original Message-----

From: Malene Mortenson [mailto:itchy_feet_40@hotmail.com]
Sent: Monday, September 06, 2010 7:41 PM
To: John Leopold; Ellen Pirie; Neal Coonerty; Tony Campos; Mark Stone
Subject: Proposed restrictions on individual short term rentals in Santa Cruz County

Dear Sirs and Madam;

Please vote no on the proposed ordinance to restrict the renting of private homes for short term visitors to Santa Cruz County. My family comes from Colorado, Oregon and Maryland each spring and the families rent a large home so that we can all be together and enjoy each other's company. There is no hotel or motel in the area which could accomodate a group of more than 10 people in the same accomodation in comfort. Because there are several families with small children, facilites for cooking and serving large meals is a requirement which no hotel/motel can meet. I'm afraid they just would not come if no large home is available for more than 10 people. We live in a town home so there is certainly no space for everyone in our home.

I'm sure there are other families that come together for a week or two that rent large homes so that all the children can play together and the adults can sit and visit in comfort. This ordinance will reduce the number of people who come to Santa Cruz and spend their money. It is my experience from the short term rental business in another location that people who seek out homes to rent are not interested in a motel or hotel room. The atmosphere is not condusive to family gatherings. If prospective visitors who prefer private homes do not have that option available, they will not rent a hotel/motel room, they will find another location to visit and spend their money.

Many cities and towns apply the TOT to short term rentals and that is a requirement that puts the short term home rentals on the same tax footing as the hotel/motel businesses. The County would gain income without limiting the private short term rental market. In the long run, limiting that market will reduce the tourist income for the whole area.

Sincerely, Malene Mortenson, 21181 East Cliff Drive, Santa Cruz, CA 95062

Steven Guiney

From: Desiree Mulligan [dmulli@sbcglobal.net]
Sent: Monday, September 13, 2010 6:23 PM
To: Steven Guiney
Subject: Vacation rental ordinance

Please note my support of increased vacation rental supervision and restriction. This is secondary to my direct negative experience with vacation rentals that surround my primary home here in Live Oak.

Thank you,

DESIREE MULLIGAN

410 14th Ave
Santa Cruz, Ca

Steven Guiney

From: adam.sah@gmail.com on behalf of Adam Sah [asah@midgard.net]
Sent: Thursday, September 16, 2010 11:35 AM
To: Paia Levine; Steven Guiney
Subject: Santa Cruz home owner-- I am opposed to vacation rental ordinance

Hi,

Thanks for listening. I am a home owner in Santa Cruz County (Live Oak), and
very opposed to John Leopold's proposed regulations on vacation rentals:

- this is not about "affordable housing" - these are expensive homes and wouldn't be rented full-time anyway, let alone to low income families.
- the regulations are unnecessary: ask Leopold's team to produce evidence of a widespread problem. FYI the police have no records or even anecdotal evidence of increased problems from vacation rentals.
- vacation rentals are absolutely in keeping with the character of Santa Cruz, which has been hosting visitors for 100 years. This is sponsored by a few Silicon Valley moguls who want to turn Santa Cruz into Carmel and keep the rest of us from the beaches.
- a similar ordinance failed to pass in Encinitas, in part because it violates the terms of the Local Coastal Plan, under jurisdiction of the Coastal Commission. Leopold is simply wasting everyone's time and energy.

thank you for listening,
adam
Adam Sah



County of Santa Cruz

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MARK W. STONE
FIFTH DISTRICT

WRITTEN CORRESPONDENCE AGENDA

August 31, 2010

Betty Sakai
1600 West Cliff
Santa Cruz, CA 95060

Dear Ms. Sakai:

Thank you for your letter dated August 17, 2010, regarding the development of a proposed ordinance regulating vacation rentals.

As you are aware, the Board has directed that work proceed on the development of an ordinance which would affect all areas of the unincorporated county. It is my understanding that the Planning Department plans to present a draft ordinance to the Housing Advisory Commission at a meeting to be held on September 20, 2010, after which the matter will be considered by the Planning Commission before reaching the Board of Supervisors for final consideration on or before November 16, 2010.

I have referred a copy of your letter to the Housing Advisory Commission for inclusion in the materials which will be considered by the Commission. In addition, by a copy of this letter I am also requesting that staff ensure that you receive notice of the meeting so that you can make plans to attend.

Again, thank you for writing. I will bear your comments in mind as this issue moves forward.

Sincerely,



TONY CAMPOS, Chairperson
Board of Supervisors

TC:ted

cc: Clerk of the Board
✓ Planning Department

5151C6

August 17, 2010
To the Board of Supervisors
Re: Vacation Rental Ordinance

Supervisors, the small individual property owner is worth backing. Please be fair and even-handed in approaching the issue of short-term vacation rentals in residential neighborhoods. Consider the reasons an owner rents their home as a vacation rental. The County's job is to update the universal housing codes that govern occupancy, parking, noise, and gatherings in the residential areas and enforce them unilaterally regardless of whether an owner needs to live in their home or needs to rent it.

In this economy, individual ingenuity is required to find ways to pay the bills. Some already have their mortgage paid off or owe very little and they are focused on quality of life, like Supervisor Pirie who stated she cares only about quality of life, not about how much money the TOT brings into Santa Cruz County. Others purchased their home for less money because it was in a crowded, traditional beach area; they now seek to increase the market value of their investment by eliminating the crowding and the vacation rentals around them. Some are plagued by the craziness of the County's failure to update and enforce its housing codes. Others have ideological perspectives and do not believe in free enterprise; they want government to burden those who pay taxes with paying for more government jobs, and control private enterprise and property. Many fearfully retreat into expecting something bigger than themselves to do for them what they cannot risk doing for themselves. If Supervisors go along with controlling vacation rentals as is presently being proposed by Supervisor John Leopold, government will enlarge to impose controls over individual ingenuity and personal reward. It will give a boost to those already big like the owners of hotels and motels. And more people will have to sell or loose their home. Those who need an income may turn to seek a secure wage and work for government, for what they believe is a secure wage, as each government job requires a number of tax-payers to support each government job. To date, there has been no honest debate about the financial and economic bases for so many vacation rental homes emerging along the coast. There have been manipulations but no financially honest discussions or debates.

It's a perilous financial and political time. The ordinance proposed by Leopold is quite simply government imposing control over private property rights instead of maintaining objectivity and leading the people to find ways they can financially solve their own problems, to create their own quality of life. The "cottage industry" referred to by Leopold is no more than average citizens trying to create income from their investment. Any owner at any time may be forced by circumstance to rent their home -- including those who most vociferously have lobbied for years against vacation rentals. Even though an owner may not wish to rent for shorter periods, they may have no choice in this economy.

An idea: If updated codes are being universally enforced and offenders are being fined, and if owners on any street continue to hate short-term rentals, the County might consider with the consent of the majority of owners on any street setting up a program funded by

Those who do not obey fair and universal codes that apply to all forms of housing, occupancy, parking, noise, and gatherings, in all areas but especially in over-crowded areas -- both residents and owners who rent their homes -- should be fined if they are in code violation. This would go a long way toward creating the quality of life in our neighborhoods that we all feel is important.

It's a fact that the current economic downturn has caused more middle class average Americans to seek a means of creating some sort of income for themselves. If owners choose to rent their home part-time, it's because they need the money from their investment. I know from ten (10) years of experience that owners who list on www.AHouseInSantaCruz.com are informed of the need to pay the TOT. New listing owners are counseled to network with other owners in the network, to respect the rights of their neighbors who are able to reside in the area full time.

On August 12th there was much talk about establishing permits. Permits effectively transfer from the owner to government the right to control the property as a business enterprise. Leopold produced a list summarizing the number of vacation rentals in the county as evidence of the need to identify owners "to enforce the collection of TOT". He alleged that government cannot determine the addresses of the owners. Leopold wants government to determine where vacation rentals will be permitted, to determine the length and frequency of a stay. This is a very socialist agenda as it takes away the right of the owner to govern their own property. I believe that government taking away private property rights is not what this country is all about. Government is formed by the citizens to be universal and unbiased in supporting everyone's efforts to create a quality of life for themselves.And by the way, property tax notices are sent out by the County Tax Collector who most certainly has each owner's address... A simple plaque in the window of a house being rented showing the TOT number, a telephone number to code enforcement, and the owner's or manager's telephone number is all that should be required.

Thank you for your consideration. Please include me in any discussions of vacation rentals. I would appreciate being informed so I can make plans in advance to attend. We are reminded that the price of liberty is vigilance. Emotions notwithstanding, most everything can be understood if one follows the money.

Respectfully submitted,
Betty Sakai, Owner



1600 West Cliff, Santa Cruz, CA 95060
e.bSakai@ix.netcom.com (408) 803-1741



County of Santa Cruz

BOARD OF SUPERVISORS

701 OCEAN STREET, SUITE 500, SANTA CRUZ, CA 95060-4069
(831) 454-2200 FAX: (831) 454-3262 TDD: (831) 454-2123

JOHN LEOPOLD
FIRST DISTRICT

ELLEN PIRIE
SECOND DISTRICT

NEAL COONERTY
THIRD DISTRICT

TONY CAMPOS
FOURTH DISTRICT

MARK W. STONE
FIFTH DISTRICT

WRITTEN CORRESPONDENCE AGENDA

August 11, 2010

William and Candace Rogers
P.O. Box 1321
Los Gatos, CA 95031

Dear Mr. and Mrs. Rogers:

Thank you for your letter dated August 5, 2010, regarding the development of a proposed ordinance regulating vacation rentals.

After hearing from concerned members of the community, including owners of vacation rental properties, neighbors of these properties, and property managers, the Board directed that work proceed on the development of an ordinance which would affect all areas of the unincorporated county. A working group will attempt to develop proposed language, after which meetings will be held by the Housing Advisory Commission and the Planning Commission. A draft ordinance is slated to be provided to the Board on or before November 16, 2010.

While meetings have not been scheduled before the Housing Advisory Commission or Planning Commission at this time, I have referred your letter to staff for both commissions with the request that they ensure that you receive notice of meetings at which any proposed ordinance will be discussed.

Again, thank you for writing. I will bear your comments in mind as this issue moves forward.

Sincerely,


TONY CAMPOS, Chairperson
Board of Supervisors

TC:ted

cc: Clerk of the Board
Planning Department
County Counsel

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2010 AUG 13 PM 10 47

William A Rogers
Candace R. Rogers
P.O. Box 1321
Los Gatos, CA 95031

Date: August 5, 2010

Board of Supervisors
County of Santa Cruz
701 Ocean Street
Santa Cruz, CA 95060

Re: Proposed Live Oak Vacation Rental Ordinance

Dear Ladies and Gentlemen:

We are the owners of the single family residence located at 170 24th Avenue, Santa Cruz, California. We are firmly against any unreasonable attempt to restrict our right to use and enjoy our house. The proposed rental ordinance ("Rental Ordinance") discussed and outlined in Mr. John Leopold's letter to you dated June 15, 2010, if adopted, would constitute an unreasonable restriction on our right to use and enjoy our house.

By way of background, our family has owned the house for over 25 years now. Over the years, we have used the house, at various periods of time, as a vacation rental home, as long-term rental and as a primary residence.

We understand and appreciate the role the Board of Supervisors has in ensuring the safety and welfare of the Santa Cruz County. Thanks to your stewardship, Santa Cruz is and continues to be a desirable place to live and visit. Unfortunately, as discussed below, there is no doubt that the adoption of the Rental Ordinance, at least as proposed by Mr. Leopold, will hurt Santa Cruz County.

Probably the most damaging component of the Rental Ordinance to Santa Cruz County is the requirement that all vacation rental homes in the Live Oak area be prohibited from renting to individuals for any period of time less than seven (7) days. This requirement essentially will cost us our house. We freely admit that we would love to only rent our vacation rental home to people for periods of time a week or longer. If we could we would do it. The fact is, however, that there are few people, and, now with the current state of the economy, fewer and fewer people, that (i) have the flexibility in their work schedule and (ii) have the financial means to be able to stay in a vacation rental home for a week or more at a time. Without the flexibility to accept short term renters, we will not be able to cover the expenses associated with our vacation rental home and will be forced to sell. Further, we believe (and Mr. Leopold fails to discuss this in his letter) that the majority of other vacation rental home owners will also not be able to afford their houses.

Mr. Leopold's letter states that the Rental Ordinance will cure undesirable conduct without making the necessary connection that such conduct is associated solely or mostly with vacation home rentals. An owner who occupies a home in the Live Oak area can have a loud party just as easily as a renter of a vacation rental home. People who are visiting the beach for the day impact street parking just as much if not more than vacation home renters. Vacation rental homes are well maintained and well cared for. They have to be in order to attract any business. Unlike with owner occupied houses, you will

never find a vacation rental home with waist high weeds growing in the front yard, with paint flaking off the exterior walls or broken or damaged windows and fences. An owner occupied house that exhibits any of the above mentioned qualities is much more damaging to the "preservation of neighborhood integrity" than the occasional bachelor party at a vacation rental home.

Additionally, Mr. Leopold does not discuss any of the negative consequences to adopting the Rental Ordinance. The elimination of vacation rental homes will create patches and pockets of vacant or hardly used houses scattered throughout the Live Oak area. The Rental Ordinance will cause a decrease in rental income. The decrease in rental income is going to force more and more vacation rental home owners to sell their homes. Surely, some homes will be purchased by people who work and live in Santa Cruz. But, a great number of homes will be bought by people living out of the area as second homes. These second homes will only be visited sporadically on weekends and warm summer days. The rest of the time they will remain dark, vacant and empty.

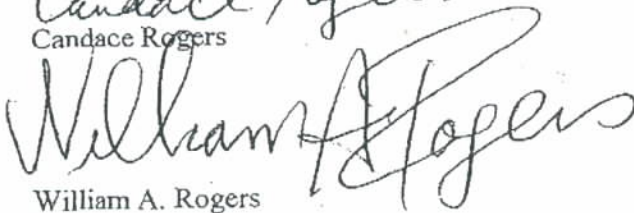
Vacation rental homes are an existing thriving segment of Santa Cruz County's economy. Vacation rental homes attract the highest quality tourists, who come more often, stay longer, and spend more money in Santa Cruz County restaurants, retail shops, and rental shops than the average overnight or daily visiting tourists. Vacation rental home owners employ gardeners, caretakers, house cleaners, and maintenance and repair technicians. When the vacation rental homes disappear, all of the aforementioned businesses will suffer and many, like the vacation rental homes, will disappear. It is important to note that few of the hotels and motels that are either (i) vaguely discussed in Mr. Leopold's letter or (ii) planned to be built in the Santa Cruz area in the coming years are or will be located near the vacation rental homes currently operating in the Live Oak area. If the Rental Ordinance drives the vacation home renters to these out of area hotels and motels, as Mr. Leopold suggests, there will be fewer and fewer vacationers left to frequent the Live Oak area and its surrounding restaurants, retail shops, and rental shops.

To be clear, we maintain our vacation rental home, we are careful who we rent to, we have a property manager, we pay our share of the Transient Occupancy Tax, we care what our neighbors think and we care about the neighborhood in which our house is located. We too are concerned about noise, parking, and the long and short term integrity the Live Oak area. But Rental Ordinance does not address any of these concerns.

We thank you for taking the time to review this letter and would appreciate the ability to participate in any future discussions regarding the Rental Ordinance.

Regards,


Candace Rogers


William A. Rogers

Steven Guiney

From: Shyamal Chaudhury [shyamal.chaudhury@gmail.com]
Sent: Thursday, September 16, 2010 5:01 PM
To: Paia Levine; Steven Guiney
Cc: shyamal.chaudhury@gmail.com
Subject: I will NOT open it up for long term rentals in Santa Cruz

Dear Planning Dept and Steve Guiney,

I believe the proposed ordinance on Vacation Rentals is not well researched and poses a huge risk to local businesses, not to mention vacation rental owners. As a VR owner, I will NOT open it up for long term rentals as I enjoy the use of the property by staying there several months of the year. Please DO NOT pass any such ordinance.

Shyamal Chaudhury
VR Owner
Phone: 408.605-0917

ATTACHMENT 4

Porcila Wilson

From: Christine Shepard [christinecshepard@gmail.com]
Sent: Friday, September 17, 2010 1:12 PM
To: Steven Guiney; Porcila Wilson
Subject: Vacation Rental Ordinance

I am writing to share my concerns regarding the Proposed Vacation Rental Ordinance being presented at the HAC meeting next Tuesday. The planning staff and the Housing Advisory Commission should know that owners of vacation rentals have not been included as stakeholders in previous meetings regarding this ordinance. The request from the Board of Supervisors to create this ordinance stems from a petition started by 22 households in a very small neighborhood of the county. Please consider that you are drafting an ordinance that will impact all residents of Santa Cruz county based on the complaints of **22 households out of 100,000 housing units** in Santa Cruz County.

I have worked very hard to stay informed about this ordinance and you should know there are many, perhaps several hundred, owners of vacation rentals who do not know about this proposed ordinance because the county BOS never informed us that this legislation was being proposed. When queried as to why vacation rental owners were not informed, Supervisor Leopold responded that owners cannot be notified because the County does not know who they are. This is NOT TRUE. The county has the name and mailing address of all vacation rental owners who pay Transient Occupancy Tax monthly. Trust me, if you pay late, they send you a letter. The BOS or Mr. Leopold's office could have sent out a simple mailer to inform owners of the rental issues he was told about in Live Oak. I believe that if vacation rental owners were engaged in this process (at the beginning), a reasonable solution could have been reached.

Many vacation rental owners spoke out at the BOS meeting in June that we felt we were not being included in discussion surrounding the ordinance. Mr. Leopold and Ms. Pirie's answer to that was to hold an invitation only meeting with 16 people. Of the 8 or so people representing the interests of rental owners and property managers, almost all of them were property managers. Clearly, the interests of those of us who manage our own homes (and do a fine job of it), were not represented.

I do not support any ordinance beyond requiring the name and number of the vacation rental owner or manager be posted on the home. There is not enough data to support anything beyond this requirement. There are already existing laws that regulate trash, noise, occupancy, and parking. If those ordinances are not effective, I suggest you spend some time addressing that rather than create a county-wide ordinance in response to a petition from 22 households.

Finally, in an email dated August 16th, 2010. Supervisor Pirie asked Kathy Previsich, County Planning Director to draft a proposed ordinance including:

1. A licensing/registration process and fee
2. A complaint and revocation process
3. A requirement for local management and a way to reach them
4. Occupancy limits
5. Vehicle limits
6. Two night minimum stay

What is this based on? Is this based on what she heard at the invitation only meeting? Who knows? No minutes exist to document this meeting.

Also quoting from Supervisor Pirie's August 16th email "Pajaro Dunes is so different than the individual houses in the regular neighborhoods that it makes sense to **exclude** it".

I would like the HAC to address this item in particular. How exactly is Pajaro Dunes "**so different**" from

9/17/2010

everyone else? My answer is that they have more wealthy residents and business owners with a clear and significant influence on their Supervisor. How does the HAC and planning department answer the question?

Thank you for your time,
Christine Shepard

Beach House 257
257 Rio Del Mar Boulevard
Aptos, California 95003

September 17, 2010

To: Steven Guiney, Project Planner
County of Santa Cruz, Planning Department

Re: Proposed Vacation Rental Ordinance

Dear Mr. Guiney,

We have become aware of efforts to further regulate Vacation Rentals in Santa Cruz County and wish to submit our firm opposition to any regulation that would hinder our ability to operate our Vacation Rental (VR) successfully. If the proposed VR ordinance were to pass as outlined, we would be unable to make enough income from long-term rentals to pay for the expenses associated with owning a second home. If passed, I'm sure there are many others such as ourselves that would either have to sell at a significant loss or be foreclosed by lenders. If we had known of a VR ordinance as restrictive as proposed when we decided to purchase, we would have never followed through.

Although there are many concerns with the proposed ordinance, our deepest is related to the length of stay provision and a proposed grandfather clause for existing VR's. Our concerns are outlined as follows:

It is our understanding that there is a proposed (7) night minimum requirement being considered for VR's. If this were to come to fruition, we would lose all but a handful of guests. So far this year, we have had only (4) guests who have taken a full week for their time. For many reasons our many other guests could not take a full week, including affordability and the ability to take time from work or other obligations. We have never taken single-night stay and we require a (2) night minimum during the off-season and a (3) night minimum during the hi-season. Anything greater would be devastating.

We also understand that there may be consideration of grandfathering existing VR's that were in operation before and during 2007. What is magical about 2007? Is there some reason the VR owners who followed are somehow less apt to lose everything? We bought our home late 2007 with the intention of opening it as a VR as soon as we could. We went online for rent January 1, 2008 with our first guest February 2008.

Many of the remainder points in the proposed VR ordinance we have already taken into consideration with our guests and neighbors. We have every guest acknowledge a comprehensive Rental Agreement that outlines expected behavior. We also collect a security deposit for which can be surrendered if any of the agreement is violated, including unacceptable noise disturbances and trash issues. We have a small sign posted on the outside of our VR with a phone number to contact. Plot Plans are provided for our (3) available on-site parking spaces. We have met with our neighbors to each side of us and have given them our contact information in the event there are guests who get out-of-line and to date we have not had an issue with disrespectful guests.

If the concern is to clean-up a few "rogue" VR owners who are not good neighbors or paying their dues, then take care of them with existing ordinances or tailor something that will. Don't penalize and make it impossible for the many VR owners who are doing business the right way, who are being good neighbors, who are contributing to the community by keeping their taxes current, who are bringing visitors from all around the world which prefer to stay in a home and spend much needed dollars in Santa Cruz County.

In closing, we decided to buy a second home in Aptos/Santa Cruz County for many reasons. We've stayed at many VR's up and down the California coast and found Santa Cruz County to be "the place we want to be" for many reasons ...location, spectacular beauty, the warmth/vibrancy of the community and much more. Our intention is to continue operating our VR until such time we can retire, come to Santa Cruz County and be a part of the community. We cannot afford to do it any other way considering the economy and our current employment. We hope and trust Santa Cruz County and its community will allow that dream to continue.

If you have any questions, please call or reply. Our phone numbers during the day are 209.581.2556 or 209.581.1034. Thank you.

Scott Schendel
Diane Schendel
Beach House 257

Porcila Wilson**ATTACHMENT 4**

From: Candy Rogers [crogers@svinet.com]
Sent: Friday, September 17, 2010 11:34 AM
To: Porcila Wilson
Subject: FW: Proposed vacation rental ordinance

From: Candy Rogers [mailto:crogers@svinet.com]
Sent: Friday, September 17, 2010 11:33 AM
To: 'steven.guiney@co.santa-cruz.ca.us'; 'cruz.ca.us'
Subject: Proposed vacation rental ordinance

I would like to comment on the proposed vacation rental ordinance being addressed next Tuesday at the HAC Meeting. We are the owners of the single family residence located on 24th Avenue, Santa Cruz, California. We are firmly against any unreasonable attempt to restrict our right to use and enjoy our house. The proposed rental ordinance ("Rental Ordinance") discussed and outlined in Mr. John Leopold's letter if adopted, would constitute an unreasonable restriction on our right to use and enjoy our house.

By way of background, our family has owned the house for over 25 years now. Over the years, we have used the house, at various periods of time, as a vacation rental home, as long-term rental and as a primary residence.

We understand and appreciate the role the Board of Supervisors has in ensuring the safety and welfare of the Santa Cruz County. Thanks to your stewardship, Santa Cruz is and continues to be a desirable place to live and visit. Unfortunately, as discussed below, there is no doubt that the adoption of the Rental Ordinance, at least as proposed by Mr. Leopold, will hurt Santa Cruz County.

Probably the most damaging component of the Rental Ordinance to Santa Cruz County is the requirement that all vacation rental homes in the Live Oak area be prohibited from renting to individuals for any period of time less than seven (7) days. This requirement essentially will cost us our house. We freely admit that we would love to only rent our vacation rental home to people for periods of time a week or longer. If we could we would do it. The fact is, however, that there are few people, and, now with the current state of the economy, fewer and fewer people, that (i) have the flexibility in their work schedule and (ii) have the financial means to be able to stay in a vacation rental home for a week or more at a time. Without the flexibility to accept short term renters, we will not be able to cover the expenses associated with our vacation rental home and will be forced to sell. Further, we believe (and Mr. Leopold fails to discuss this in his letter) that the majority of other vacation rental home owners will also not be able to afford their houses.

Mr. Leopold's letter states that the Rental Ordinance will cure undesirable conduct without making the necessary connection that such conduct is associated solely or mostly with vacation home rentals. An owner who occupies a home in the Live Oak area can have a loud party just as easily as a renter of a vacation rental home. People who are visiting the beach for the day impact street parking just as much if not more than vacation home renters. Vacation rental homes are well maintained and well cared for. They have to be in order to attract any business. Unlike with owner occupied houses, you will never find a vacation rental home with waist high weeds growing in the front yard, with paint flaking off the exterior walls or broken or damaged windows and fences. An owner occupied house that exhibits any of the above mentioned qualities is much more damaging to the "preservation of neighborhood integrity" than the occasional bachelor party at a vacation rental home.

Additionally, Mr. Leopold does not discuss any of the negative consequences to adopting the Rental

9/17/2010

Ordinance. The elimination of vacation rental homes will create patches and pockets of vacant or hardly used houses scattered throughout the Live Oak area. The Rental Ordinance will cause a decrease in rental income. The decrease in rental income is going to force more and more vacation rental home owners to sell their homes. Surely, some homes will be purchased by people who work and live in Santa Cruz. But, a great number of homes will be bought by people living out of the area as second homes. These second homes will only be visited sporadically on weekends and warm summer days. The rest of the time they will remain dark, vacant and empty.

Vacation rental homes are an existing thriving segment of Santa Cruz County's economy. Vacation rental homes attract the highest quality tourists, who come more often, stay longer, and spend more money in Santa Cruz County restaurants, retail shops, and rental shops than the average overnight or daily visiting tourists. Vacation rental home owners employ gardeners, caretakers, house cleaners, and maintenance and repair technicians. When the vacation rental homes disappear, all of the aforementioned businesses will suffer and many, like the vacation rental homes, will disappear. It is important to note that few of the hotels and motels that are either (i) vaguely discussed in Mr. Leopold's letter or (ii) planned to be built in the Santa Cruz area in the coming years are or will be located near the vacation rental homes currently operating in the Live Oak area. If the Rental Ordinance drives the vacation home renters to these out of area hotels and motels, as Mr. Leopold suggests, there will be fewer and fewer vacationers left to frequent the Live Oak area and its surrounding restaurants, retail shops, and rental shops.

To be clear, we maintain our vacation rental home, we are careful who we rent to, we have a property manager, we pay our share of the Transient Occupancy Tax, we care what our neighbors think and we care about the neighborhood in which our house is located. We too are concerned about noise, parking, and the long and short term integrity of the Live Oak area. But Rental Ordinance does not address any of these concerns.

We thank you for taking the time to review this letter and would appreciate the ability to participate in any future discussions regarding the Rental Ordinance.

Regards,

Candace Rogers

William A. Rogers